

ASSEMBLY BILL

No. 1377

Introduced by Assembly Member Swanson

February 27, 2009

An act to add Section 41020.9 to the Education Code, relating to school districts.

LEGISLATIVE COUNSEL'S DIGEST

AB 1377, as introduced, Swanson. School districts: state receivership: audits.

Existing law requires the Superintendent of Public Instruction to assume all the rights, duties, and powers of the governing board of specified school districts in order to ensure the return to the district of fiscal solvency. Existing law also requires each county superintendent of schools to provide for an audit of all funds under his or her jurisdiction and control, not later than the first day of May of each fiscal year, and the governing board of each local educational agency to provide for an audit of the books and accounts of the local educational agency.

This bill would provide that, if the Superintendent is required to assume control of a school district, and the Controller, or his or her designee, is required to cause an audit to be conducted of the books and accounts of the district instead of the annual audit described above, the Superintendent shall allow the district an appropriate period of time in which to address the audit findings before penalties are assessed against the district for any discrepancies that are discovered by the audit.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 41020.9 is added to the Education Code,
2 to read:
3 41020.9. Notwithstanding any other provision of law, if the
4 Superintendent is required to assume control of a school district
5 in order to ensure the return to the district of fiscal solvency and
6 the Controller, or his or her designee, causes an audit to be
7 conducted of the books and accounts of the district, instead of the
8 audit required by Section 41020, the district Superintendent shall
9 allow the shall an appropriate period of time in which to address
10 the audit findings before penalties are assessed for any
11 discrepancies that are discovered by the audit.

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